Prohibited Grants Policy

As defined in the fund Agreement for Donor Advised Funds, donors, or their authorized representatives, may make recommendations in support of grant distributions from their DAF. This process includes staff review and Board of Trustee oversight and final approval. It is the spirit and the intent of the Agreement to assist donors in supporting the charitable causes, projects and organizations that are aligned with their values and promote the Community Foundation’s mission to improve the quality of life in our region.

Every effort is made to support the recommendations of donors; however, events in the past few years have yielded both stronger oversight of charitable organizations and more transparent information about their operations. With the ready availability of this information, the Board of Trustees has instituted this policy to ensure that grants from the Foundation, including Donor Advised Funds are not awarded to 501(c)(3) organizations included on watch lists produced by the federal government, GuideStar, Council on Foundations or other credible monitoring institution.

In addition, the staff or a board member may present information leading to the disapproval of a proposed or recommended grant if during the review and approval process a serious issue was revealed related to the organization’s governance, organizational capacity or financial condition. Some examples include:

- Harming the Community Foundation’s reputation or charitable status.
- Knowledge that a nonprofit organization is ear-marking funds to individuals.
- Awareness that there will be a material benefit, gift or service to a donor or related party exercising the donor advisory privilege.
- Documentation that the nonprofit organization promotes projects, programs or materials that would promote social discord or racial prejudice.
- Knowledge that the grant award will not be used by the grantee as intended.

This policy is to further the public trust extended to the Community Foundation and its unique status to oversee charitable assets, long-term endowments and the intention of our donors.

Approved by the Board of Trustees April 15, 2010